

BUDGET OVERVIEW Fiscal 2020

Board retreat October 2019

The revised fiscal 2020 IRE budget marks the debut of a new budget format. We hope this new template provides an easier-to-understand look at IRE revenues and expenses. The biggest change is that salaries and benefits are listed as an expense in one place rather than being apportioned into particular program areas and departments. We've taken the same approach with grants -- they're listed separately now rather than being flowed into programs.

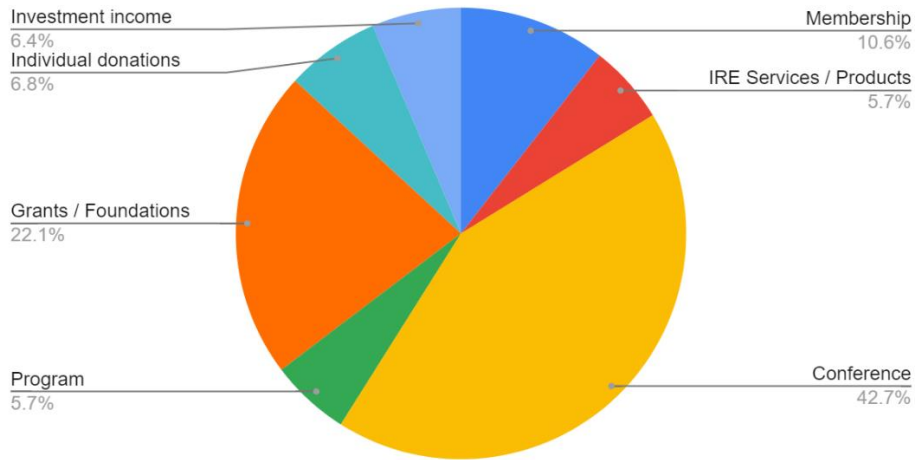
Here are key highlights since the preliminary budget adopted by the board in June 2019:

- **ACTUALS FOR JUNE 30, 2019:** This column shows actuals for the fiscal year that concluded June 30. We ended the year with a surplus of \$109,562. As per board policy, half of that will be moved into our Reserve Fund, which will increase to \$635,000. We rolled \$40,000 from FY19 over to the current fiscal year for the next phase of the IRE website project. We also reinvested \$180,000 into our endowment from investment earnings that we didn't need for operating expenses.
- **GRANTS:** We've received additional grants from the Lumina Foundation, Jonathan Logan Family Foundation and Arnold Ventures. Relevant dollar amounts for FY20 have been added. We also received renewal of the Kohlberg Foundation grant of \$150,000 for the TNT program, so that's now confirmed (rather than tentative). We are still awaiting potential funds from the Park Foundation and the Ford Foundation, so we have not listed any revenue on those lines.
- **SALARIES & BENEFITS:** Based on new funding and new program needs (e.g. IRE on Campus), we anticipate adding a fifth full-time trainer in FY20 to handle increased training needs. This position also will broaden IRE's capacity to offer additional weeklong data boot camps in various parts of the United States.
- **EXPENSES and REVENUE:** Some FY20 anticipated expenses and revenue have been tweaked, based on FY19 actuals and new information. For instance, we've added line 122 (Office relocation expenses) and listed \$10,000 for a potential move to a different building on the Mizzou campus. It's possible that Neff Annex will be mothballed in summer 2020 in anticipation of building demolition.
- **PROJECTED SURPLUS:** The FY20 budget forecasts a positive balance of \$50,000. As part of our conservative budgeting, we project using \$135,000 from endowment investment earnings for regular operating expenses. As has been past practice, if those earnings are not needed for operating expenses, they will be rolled back into the general endowment.

ACTUALS Fiscal 2019

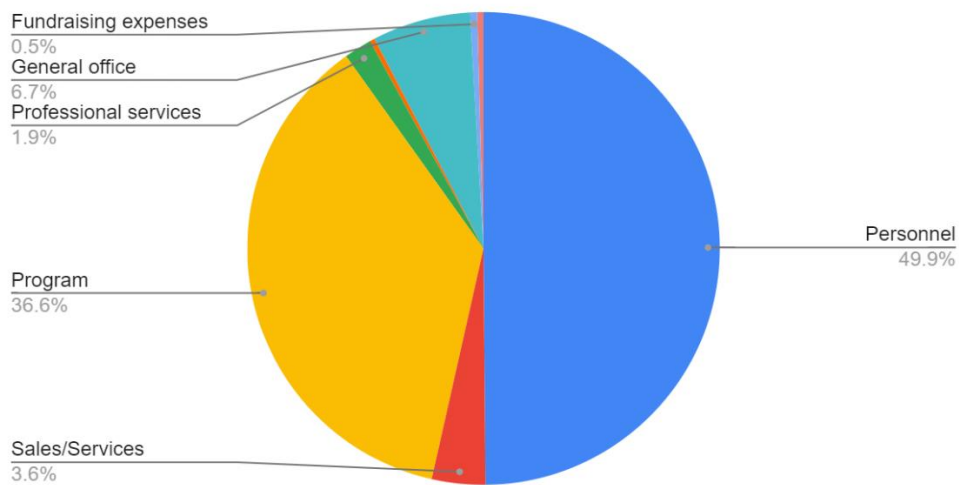
REVENUE SOURCES

Final
June 30, 2019



EXPENDITURE CATEGORIES

Final
June 30, 2019



| | | Approved Budget FY19 | Final June 30, 2019 | Proposed Budget FY20 |
|----|--|-------------------------|------------------------|-------------------------|
| 2 | REVENUE | | | |
| 3 | | | | |
| 4 | MEMBERSHIP | | | |
| 5 | New Membership | \$81,000 | \$100,861 | \$80,000 |
| 6 | Membership-student | \$15,000 | \$23,030 | \$15,000 |
| 7 | Membership-international | \$10,000 | \$10,576 | \$10,000 |
| 8 | Membership Renewals | \$138,000 | \$151,171 | \$141,000 |
| 9 | Renewals-student | \$6,000 | \$6,350 | \$6,000 |
| 10 | Renewals-international | \$4,000 | \$4,894 | \$4,000 |
| 11 | Membership revenue | \$254,000 | \$296,882 | \$256,000 |
| 12 | | | | |
| 13 | IRE SALES & SERVICES | | | |
| 14 | Data analysis/visualization & database sales | \$20,000 | \$15,194 | \$15,000 |
| 15 | IRE Journal subscriptions/advertising | \$4,000 | \$3,273 | \$4,000 |
| 16 | Book sales and royalty | \$30,000 | \$36,035 | \$30,000 |
| 17 | Story/tipsheet sales & Research Desk | \$13,000 | \$6,039 | \$12,000 |
| 18 | Award Contest fees | \$34,000 | \$41,910 | \$40,000 |
| 19 | Web ads/services | \$35,000 | \$37,372 | \$40,000 |
| 20 | Fiscal Agent fees | \$0 | \$16,761 | \$12,000 |
| 21 | Other | \$1,000 | \$2,844 | \$1,000 |
| 22 | IRE Services / Products revenue | \$137,000 | \$159,428 | \$154,000 |
| 23 | | | | |
| 24 | CONFERENCES | | | |
| 25 | Registrations and fees (IRE and NICAR) | \$494,000 | \$739,981 | \$605,000 |
| 26 | Hands-on training classes | \$20,000 | \$49,140 | \$30,000 |
| 27 | Other revenues | \$45,000 | \$22,365 | \$40,000 |
| 28 | Sponsorships | \$300,000 | \$390,500 | \$325,000 |
| 29 | Conference revenue | \$859,000 | \$1,201,986 | \$1,000,000 |
| 30 | | | | |
| 31 | Program Revenue | | | |
| 32 | Watchdog workshops | \$63,000 | \$42,402 | \$35,000 |
| 33 | TV watchdog workshops | \$0 | \$2,495 | \$5,000 |
| 34 | Data in Local Newsrooms | \$0 | \$0 | \$0 |
| 35 | Custom newsroom training | \$65,000 | \$72,981 | \$65,000 |
| 36 | Boot camps | \$40,000 | \$43,195 | \$35,000 |
| 37 | Program Revenue | \$168,000 | \$161,073 | \$140,000 |
| 38 | | | | |
| 39 | GRANTS / FOUNDATIONS Released | | | |
| 40 | Google News Initiative: Data in Local Newsrooms (restricted) | \$0 | \$0 | \$165,000 |

| | | Approved Budget FY19 | Final June 30, 2019 | Proposed Budget FY20 |
|----|--|---------------------------------|--------------------------------|---------------------------------|
| 41 | John S. and James L. Knight Foundation: TV initiative (restricted) | \$130,000 | \$130,000 | \$137,000 |
| 42 | Kohlberg Foundation: TNT (restricted) | \$150,000 | \$142,500 | \$150,000 |
| 43 | Excellence and Ethics in Journalism: Watchdog workshops (restricted) | \$100,000 | \$100,000 | \$100,000 |
| 44 | Lumina Foundation: IRE On Campus (restricted) | \$0 | \$0 | \$57,000 |
| 45 | Dow Jones Newspaper Fund: intern data boot camp (restricted) | \$20,000 | \$43,000 | \$43,000 |
| 46 | Arnold Ventures (unrestricted) | \$0 | \$67,000 | \$153,000 |
| 47 | Jonathan Logan Family Foundation (unrestricted) | \$0 | \$0 | \$75,000 |
| 48 | Park Foundation (unrestricted) | \$30,000 | \$50,000 | \$0 |
| 49 | Ford Foundation (unrestricted) | \$90,000 | \$90,000 | \$0 |
| 50 | Grants / Foundations revenue | \$520,000 | \$622,500 | \$880,000 |
| 51 | | | | |
| 52 | INDIVIDUAL DONATIONS | | | |
| 53 | Unrestricted | \$115,000 | \$59,614 | \$54,000 |
| 54 | Restricted -Endowment | \$50,000 | \$130,919 | \$50,000 |
| 55 | Individual donations revenue | \$165,000 | \$190,533 | \$104,000 |
| 56 | | | | |
| 57 | INVESTMENT INCOME | | | |
| 58 | Income released-fellowships, administrative | \$150,000 | \$0 | \$135,000 |
| 59 | Income not released - | \$0 | \$180,211 | \$0 |
| 60 | Investment income revenue | \$150,000 | \$180,211 | \$135,000 |
| 61 | | | | |
| 62 | Reserve for website FY20, carryover from FY19 | \$0 | \$0 | \$40,000 |
| 63 | | | | |
| 64 | TOTAL REVENUE | \$2,253,000 | \$2,812,613 | \$2,709,000 |
| 65 | | | | |
| 66 | EXPENSES | | | |
| 67 | | | | |
| 68 | PERSONNEL | | | |
| 69 | Salaries: full-time staff | \$827,000 | \$819,363 | \$920,000 |
| 70 | Benefits: full-time staff | \$289,000 | \$273,916 | \$322,000 |
| 71 | Part-time wages | \$0 | \$46,835 | \$78,000 |
| 72 | Student wages | \$62,000 | \$32,801 | \$52,000 |
| 73 | Personnel expenses | \$1,178,000 | \$1,172,915 | \$1,372,000 |
| 74 | | | | |
| 75 | IRE SALES & SERVICES | | | |
| 76 | Membership | \$5,000 | \$726 | \$5,000 |

| | | Approved Budget FY19 | Final June 30, 2019 | Proposed Budget FY20 |
|-----|--|-------------------------|------------------------|-------------------------|
| 77 | Data Library | \$6,000 | \$2,361 | \$3,000 |
| 78 | Journal | \$34,000 | \$31,298 | \$34,000 |
| 79 | Book costs | \$15,000 | \$22,100 | \$20,000 |
| 80 | Resource Center | \$6,000 | \$12,714 | \$13,000 |
| 81 | Contest (judges' travel, plaques, other) | \$18,000 | \$14,786 | \$18,000 |
| 82 | Web services | \$2,000 | \$1,392 | \$2,000 |
| 83 | Other | \$1,000 | \$468 | \$1,000 |
| 84 | Sales/Products | \$87,000 | \$85,845 | \$96,000 |
| 85 | | | | |
| 86 | PROGRAM EXPENSES | | | |
| 87 | Conferences | \$525,000 | \$574,293 | \$600,000 |
| 88 | Watchdog workshops | \$39,000 | \$41,429 | \$39,000 |
| 89 | TV watchdog workshops | \$0 | \$26,023 | \$35,000 |
| 90 | Data in Local Newsrooms | \$0 | \$459 | \$30,000 |
| 91 | Total Newsroom Training (TNT) | \$45,000 | \$22,614 | \$23,000 |
| 92 | Custom newsroom training | \$25,000 | \$15,038 | \$25,000 |
| 93 | Boot camps | \$10,000 | \$31,309 | \$20,000 |
| 94 | Fellowships/scholarships | \$0 | \$149,616 | \$85,000 |
| 95 | Program Expenses | \$644,000 | \$860,781 | \$857,000 |
| 96 | | | | |
| 97 | PROFESSIONAL SERVICES | | | |
| 98 | Investment management fees | \$18,000 | \$17,113 | \$18,000 |
| 99 | Accounting | \$22,000 | \$27,651 | \$23,000 |
| 100 | Legal | \$10,000 | \$0 | \$10,000 |
| 101 | Professional services expenses | \$50,000 | \$44,764 | \$51,000 |
| 102 | | | | |
| 103 | BOARD OF DIRECTORS | | | |
| 104 | Retreat | \$5,000 | \$5,881 | \$12,500 |
| 105 | Election software | \$0 | \$2,090 | \$2,500 |
| 106 | Board of directors expenses | \$5,000 | \$7,971 | \$15,000 |
| 107 | | | | |
| 108 | GENERAL OFFICE | | | |
| 109 | Telephone and fax | \$6,000 | \$3,691 | \$6,000 |
| 110 | Postage | \$4,000 | \$3,831 | \$4,000 |
| 111 | Office supplies | \$6,000 | \$5,820 | \$6,000 |
| 112 | Photocopying | \$3,000 | \$2,104 | \$3,000 |
| 113 | Insurance | \$18,000 | \$19,830 | \$20,000 |
| 114 | Computer supplies | \$2,000 | \$1,140 | \$2,000 |
| 115 | Credit card service fees | \$45,000 | \$41,842 | \$45,000 |
| 116 | Dues/fees/subscriptions | \$2,000 | \$1,379 | \$2,000 |
| 117 | Office Travel/Executive Director Travel | \$15,000 | \$12,819 | \$15,000 |

| | | Approved Budget FY19 | Final June 30, 2019 | Proposed Budget FY20 |
|-----|---|---------------------------------|--------------------------------|---------------------------------|
| 118 | Marketing/promotions | \$2,000 | \$2,093 | \$9,000 |
| 119 | Staff retreat / professional development | \$6,000 | \$4,974 | \$6,000 |
| 120 | Software/equipment/maintenance | \$10,000 | \$7,517 | \$20,000 |
| 121 | Web design/updates | \$40,000 | \$46,511 | \$40,000 |
| 122 | Office relocation expenses | \$0 | \$0 | \$10,000 |
| 123 | Other office expense | \$5,000 | \$4,480 | \$5,000 |
| 124 | General office expenses | \$164,000 | \$158,031 | \$193,000 |
| 125 | | | | |
| 126 | Fundraising expenses | \$15,000 | \$11,614 | \$15,000 |
| 127 | Depreciation | \$10,000 | \$10,000 | \$10,000 |
| 128 | | | | |
| 129 | TOTAL EXPENSES | \$2,153,000 | \$2,351,921 | \$2,609,000 |
| 130 | | | | |
| 131 | Reinvested Investment Income | \$0 | \$180,211 | \$0 |
| 132 | Permanently restricted-Endowment | \$50,000 | \$130,919 | \$50,000 |
| 133 | Reserve: website redesign, phase 2- FY20 | \$0 | \$40,000 | \$0 |
| 134 | | | | |
| 135 | REVENUE MINUS EXPENSES | \$50,000 | \$109,562 | \$50,000 |